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**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:

PG&E CORPORATION,

- and -

**PACIFIC GAS AND ELECTRIC
COMPANY,**

Debtors.

- ☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric Company
☒ Affects both Debtors

** All papers shall be filed in the Lead Case, No. 19-30088 (DM).*

Bankruptcy Case No. 19-30088 (DM)

Chapter 11

(Lead Case) (Jointly Administered)

**REORGANIZED DEBTORS' TWELFTH
OMNIBUS OBJECTION TO CLAIMS
(DUPLICATIVE CLAIMS)**

**Response Deadline:
October 14, 2020, 4:00 p.m. (PT)**

Hearing Information If Timely Response Made:

Date: October 28, 2020

Time: 10:00 a.m. (Pacific Time)

Place: (Telephonic Appearances Only)
United States Bankruptcy Court
Courtroom 17, 16th Floor
San Francisco, CA 94102

1 **TO: (A) THE HONORABLE DENNIS MONTALI, UNITED STATES BANKRUPTCY**
2 **JUDGE; (B) THE OFFICE OF THE UNITED STATES TRUSTEE; (C) THE AFFECTED**
3 **CLAIMANTS; AND (D) OTHER PARTIES ENTITLED TO NOTICE:**

4 PG&E Corporation (“**PG&E Corp.**”) and Pacific Gas and Electric Company (the “**Utility**”), as
5 debtors and reorganized debtors (collectively, “**PG&E**” or the “**Debtors**” or as reorganized pursuant to
6 the Plan (as defined below), the “**Reorganized Debtors**”) in the above-captioned chapter 11 cases (the
7 “**Chapter 11 Cases**”) hereby submit this twelfth omnibus objection (the “**Objection**”) to the Proofs of
8 Claim (as defined below) identified in the column headed “Claims To Be Disallowed and Expunged” on
9 **Exhibit 1** annexed hereto.

10 **I. JURISDICTION**

11 This Court has jurisdiction over this Objection under 28 U.S.C. §§ 157 and 1334; the *Order*
12 *Referring Bankruptcy Cases and Proceedings to Bankruptcy Judges*, General Order 24 (N.D. Cal.); and
13 Rule 5011-1(a) of the Bankruptcy Local Rules for the United States District Court for the Northern
14 District of California (the “**Bankruptcy Local Rules**”). This matter is a core proceeding pursuant to 28
15 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The
16 statutory predicates for the relief requested are section 502 of Title 11 of the United States Code (the
17 “**Bankruptcy Code**”) and Rule 3007 of the Federal Rules of Bankruptcy Procedure (collectively, the
18 “**Bankruptcy Rules**”).

19 **II. BACKGROUND**

20 On January 29, 2019 (the “**Petition Date**”), the Debtors commenced with the Court voluntary
21 cases under chapter 11 of the Bankruptcy Code. Prior to the Effective Date (as defined below), the
22 Debtors continued to operate their businesses and manage their properties as debtors in possession
23 pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner was appointed
24 in either of the Chapter 11 Cases. The Debtors’ Chapter 11 Cases are being jointly administered for
25 procedural purposes only pursuant to Bankruptcy Rule 1015(b).

26 On February 12, 2019, the United States Trustee (the “**U.S. Trustee**”) appointed an Official
27 Committee of Unsecured Creditors (the “**Creditors Committee**”). On February 15, 2019, the U.S.
28 Trustee appointed an Official Committee of Tort Claimants (the “**Tort Claimants Committee**” and,
together with the Creditors Committee, the “**Committees**”).

1 Additional information regarding the circumstances leading to the commencement of the Chapter
2 11 Cases and information regarding the Debtors' businesses and capital structure is set forth in the
3 *Amended Declaration of Jason P. Wells in Support of the First Day Motions and Related Relief* [Docket
4 No. 263].

5 On July 1, 2019, the Court entered the *Order Pursuant to 11 U.S.C. §§ 502(b)(9) and 105(a),*
6 *Fed. R. Bankr. P. 2002, 3003(c)(3), 5005, and 9007, and L.B.R. 3003-1 (I) Establishing Deadline for*
7 *Filing Proofs of Claim, (II) Establishing the Form and Manner of Notice Thereof, and (III) Approving*
8 *Procedures for Providing Notice of Bar Date and Other Information to All Creditors and Potential*
9 *Creditors* [Docket No. 2806] (the "**Bar Date Order**"). The Bar Date Order set the deadline to file all
10 proofs of claim (each, a "**Proof of Claim**") in respect of any prepetition claim (as defined in section
11 101(5) of the Bankruptcy Code), including all claims of Fire Claimants (as defined therein), Wildfire
12 Subrogation Claimants (as defined therein), Governmental Units (as defined in section 101(27) of the
13 Bankruptcy Code), and Customers, and for the avoidance of doubt, including all secured claims and
14 priority claims, against either of the Debtors as October 21, 2019 at 5:00 p.m. Pacific Time (the "**Bar**
15 **Date**"). The Bar Date later was extended solely with respect to unfiled, non-governmental Fire
16 Claimants to December 31, 2019 [Docket No. 4672]¹; and subsequently with respect to certain claimants
17 that purchased or acquired the Debtors' publicly held debt and equity securities and may have claims
18 against the Debtors for rescission or damages to April 16, 2020 [Docket No. 5943].

19 By Order dated June 20, 2020 [Dkt. No. 8053], the Bankruptcy Court confirmed the *Debtors'*
20 *and Shareholder Proponents' Joint Chapter 11 Plan of Reorganization Dated June 19, 2020* (as may be
21 further modified, amended or supplemented from time to time, and together with any exhibits or
22 scheduled thereto, the "**Plan**"). The Effective Date of the Plan occurred on July 1, 2020 (the "**Effective**
23 **Date**"). See Dkt. No. 8252.

24 **III. RELIEF REQUESTED**

25 The Reorganized Debtors file this Objection, pursuant to section 502 of the Bankruptcy Code,
26 Bankruptcy Rule 3007, Bankruptcy Local Rule 3007-1, and the *Order Approving (A) Procedures for*

27 ¹ The claims of Fire Claimants will be administered through the Fire Victim Trust and the claims of
28 Wildfire Subrogation Claimants through the Subrogation Wildfire Trust in accordance with the Plan.

1 *Filing Omnibus Objections to Claims and (B) the Form and Manner of the Notice of Omnibus*
2 *Objections*, dated June 30, 2020 [Docket No. 8228] (the “**Omnibus Objections Procedures Order**”),
3 seeking entry of an order disallowing Proofs of Claim that duplicate others already submitted in these
4 Chapter 11 Cases (referred to hereafter as the “**Duplicative Claims**”). The Duplicative Claims and the
5 Proofs of Claims of which they are duplicates (the “**Surviving Claims**”) are both identified on
6 **Exhibit 1**, in the columns headed “Claims To Be Disallowed and Expunged” and “Surviving Claims,”
7 respectively. **Exhibit 1** also specifically identifies in the “Basis for Objection” that the Claims are
8 classified as “Duplicative,” which means that the Duplicative Claim and the Surviving Claim are
9 identical (*i.e.*, both were filed against the same Debtor on account of the same obligation for the same
10 amount and priority) and the later-filed identical claim does not express an intention to amend the earlier
11 filed claim. The Surviving Claim, which may have been filed earlier or later than the other identical
12 claim(s), has been designated as such for the administrative convenience of the Reorganized Debtors.
13 The Reorganized Debtors request that the Duplicative Claims be disallowed and expunged. The
14 Objection does not affect any of the Surviving Claims. There is a Surviving Claim for each underlying
15 claim asserted against the Debtors by a Duplicative Claim that is the subject of this Objection.²

16 **IV. ARGUMENT**

17 **A. The Duplicative Claims Should be Disallowed**

18 Bankruptcy Rules 3007(d) and (e) and the Omnibus Objections Procedures Order govern
19 omnibus objections to claims in these Chapter 11 Cases. Pursuant to Bankruptcy Rule 3007(d)(1),
20 objections to more than one claim may be joined if the objections are based solely on the grounds that
21 the claims should be disallowed, in whole or in part, because they duplicate other claims. Bankruptcy
22 Rule 3007(e) requires that an omnibus objection must list the claimants alphabetically and by cross-
23 reference to claim numbers. Each of the Duplicative Claims identified on **Exhibit 1** hereto duplicates
24 another claim, which the Reorganized Debtors have referenced. Each of the Claimants is listed

25 ² In some instances the same Surviving Claim appears in multiple entries in the “Surviving Claims”
26 column on **Exhibit 1**. The multiple entries mean that there were multiple Duplicative Claims filed
27 with respect to the same underlying obligation, and the identified Surviving Claim listed in multiple
28 entries is the sole remaining Proof of Claim for all of the corresponding Objected-To Claims listed in
the “Claims To Be Disallowed and Expunged” column.

1 alphabetically, and the claim number and amount are identified in accordance with Bankruptcy Rule
2 3007(e). Furthermore, in accordance with the Omnibus Objections Procedures Order, the Reorganized
3 Debtors have sent individualized notices to the holders of each of the Duplicative Claims. The
4 Reorganized Debtors request that the Court disallow the Duplicative Claims in their entirety. For the
5 avoidance of doubt, the Surviving Claims are not affected by this Objection.

6 The Reorganized Debtors and their professionals have reviewed the Duplicative Claims, all
7 documents furnished by the Claimants with respect to the Duplicative Claims, and the Reorganized
8 Debtors' books and records, and have determined that each Duplicative Claim is duplicative of the
9 applicable Surviving Claim because the Duplicative Claim is identical to another Proof of Claim filed
10 by the same Claimant in the same Chapter 11 Case. To avoid multiple recoveries by the same Claimant
11 on the same potential obligation, the Reorganized Debtors request that the Court disallow and expunge
12 in their entirety the Duplicative Claims. The Surviving Claims will remain on the claims register, subject
13 to pending and further objections.

14 **B. The Claimants Bear the Burden of Proof as to the Duplicative Claims**

15 A filed proof of claim is "deemed allowed, unless a party in interest . . . objects." 11 U.S.C.
16 § 502(a).³ Section 502(b)(1) of the Bankruptcy Code, however, provides in relevant part that a claim
17 may not be allowed if "such claim is unenforceable against the debtor and property of the debtor, under
18 any agreement or applicable law." 11 U.S.C. § 502(b)(1). Once the objector raises "facts tending to
19 defeat the claim by probative force equal to that of the allegations of the proofs of claim themselves,"
20 *Wright v. Holm (In re Holm)*, 931 F.2d 620, 623 (9th Cir. 1991), quoting 3 L. King, *Collier on*
21 *Bankruptcy* § 502.02 at 502-22 (15th ed. 1991), then "the burden reverts to the claimant to prove the
22 validity of the claim by a preponderance of the evidence," *Ashford v. Consolidated Pioneer Mortgage*
23 *(In re Consolidated Pioneer Mortgage)* 178 B.R. 222, 226 (B.A.P. 9th Cir. 1995) (quoting *In re*
24 *Allegheny Int'l, Inc.*, 954 F.2d 167, 173-74 (3d Cir. 1992)), *aff'd without opinion* 91 F.3d 151 (9th Cir.
25 1996). "[T]he ultimate burden of persuasion is always on the claimant." *Holm*, 931 F.2d at 623 (quoting
26 King, *Collier on Bankruptcy*); *see also Lundell v. Anchor Constr. Specialists, Inc.*, 223 F.3d 1035, 1039

27 ³ Under Section 7.1 of the Plan, the Reorganized Debtors have until 180 days after the Plan's Effective
28 Date to bring objections to claims, which deadline may be extended by the Court.

1 (9th Cir. 2000), *Spencer v. Pugh (In re Pugh)*, 157 B.R. 898, 901 (BAP 9th Cir. 1993); *In re Fidelity*
2 *Holding Co.*, 837 F.2d 696, 698 (5th Cir. 1988).

3 As set forth above, the Reorganized Debtors submit that the Duplicative Claims are duplicates
4 and should be disallowed. If any Claimant believes that a Duplicative Claim is valid and non-duplicative,
5 it must present affirmative evidence demonstrating the validity of that claim.

6 **V. RESERVATION OF RIGHTS**

7 The Reorganized Debtors hereby reserve the right to object, as applicable, in the future to any of
8 the Proofs of Claim listed in this Objection (including the Duplicative Claims and the Surviving Claims)
9 on any ground, and to amend, modify, or supplement this Objection to the extent an objection to a claim
10 is not granted, and to file other objections to any proofs of claims filed in these cases, including, without
11 limitation, objections as to the amounts asserted therein, or any other claims (filed or not) against the
12 Debtors, regardless of whether such claims are subject to this Objection. A separate notice and hearing
13 will be scheduled for any such objections. Should the grounds of objection specified herein be overruled
14 or withdrawn, wholly or in part, the Reorganized Debtors reserve the right to object to the Duplicative
15 Claims on any other grounds that the Reorganized Debtors may discover or deem appropriate.

16 **VI. NOTICE**

17 Notice of this Objection will be provided to (i) holders of the Duplicative Claims; (ii) the Office
18 of the U.S. Trustee for Region 17 (Attn: Andrew R. Vara, Esq. and Timothy Laffredi, Esq.); (iii) counsel
19 to the Creditors Committee; (iv) counsel to Tort Claimants Committee; (v) all counsel and parties
20 receiving electronic notice through the Court's electronic case filing system; and (vi) those persons who
21 have formally appeared in these Chapter 11 Cases and requested service pursuant to Bankruptcy Rule
22 2002. The Reorganized Debtors respectfully submit that no further notice is required. No previous
23 request for the relief sought herein has been made by the Reorganized Debtors to this or any other Court.

24 WHEREFORE the Reorganized Debtors respectfully request entry of an order granting (i) the
25 relief requested herein as a sound exercise of the Reorganized Debtors' business judgment and in the
26 best interests of their estates, creditors, shareholders, and all other parties interests, and (ii) such other
27 and further relief as the Court may deem just and appropriate.
28

1 Dated: September 17, 2020

KELLER BENVENUTTI KIM LLP

2 By: /s/ Peter J. Benvenutti
3 Peter J. Benvenutti

4 *Attorneys for Debtors and Reorganized Debtors*

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